

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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August 5, 2003

FROM: **MARK H. UFFER**, Director
 Arrowhead Regional Medical Center

SUBJECT: MEDICAL IMAGING EQUIPMENT – SERVICE PURCHASE ORDERS

RECOMMENDATION:

- 1) Authorize the Purchasing Agent to increase the existing Purchase Order with Siemens Medical Systems, Inc. by \$125,000 for a total amount not-to-exceed \$150,000 for Fiscal Year 2003/04, for time and materials necessary to service ARMC's Medical Imaging equipment.
- 2) Authorize the Purchasing Agent to increase the existing Purchase Order with General Electric Medical Systems, Inc. by \$125,000 for a total amount not-to-exceed \$150,000 for Fiscal Year 2003/04, for time and materials necessary to service ARMC's Medical Imaging equipment.
- 3) Authorize the Purchasing Agent to increase the existing Purchase Order with Philips Medical Systems, Inc. by \$125,000 for a total amount not-to-exceed \$150,000 for Fiscal Year 2003/04, for time and materials necessary to service ARMC's Medical Imaging equipment.
- 4) Authorize the Purchasing Agent to increase the existing Purchase Order with Fuji Medical Systems, Inc. by \$75,000 for a total amount not-to-exceed \$100,000 for Fiscal Year 2003/04, for time and materials necessary to service ARMC's Medical Imaging equipment.
- 5) Authorize the Purchasing Agent to increase the existing Purchase Order with Preferred Diagnostics, Inc. by \$25,000 for a total amount not-to-exceed \$50,000 for Fiscal Year 2003/04, for time and materials necessary to service ARMC's Medical Imaging equipment.
- 6) Authorize the Purchasing Agent to increase the existing Purchase Order with Masterplan, Inc. by \$25,000 for a total amount not-to-exceed \$50,000 for Fiscal Year 2003/04, for time and materials necessary to service ARMC's Medical Imaging equipment.

BACKGROUND INFORMATION: Per Policy 11-05, Board of Supervisors approval is needed for services in excess of \$25,000 per scope of service per vendor per department each fiscal year.

ARMC's Medical Imaging Department utilizes a variety of equipment to assist physicians in the diagnosis of patient illnesses and injuries. This equipment was purchased during the hospital replacement project, and all of the equipment purchased included a warranty. Currently, most of the original warranties for this equipment have expired and maintenance of the equipment is now obtained on a time and material basis.

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Some of the Siemens, GE, Philips, and Fuji equipment are proprietary in nature, and to meet regulatory agency requirements, this equipment must be serviced by personnel factory-trained by these corporations. However, over the past year, the Medical Center has also been able to utilize Preferred Diagnostics, Inc. and Masterplan, Inc., who are registered with the county, to provide necessary service to medical imaging equipment that is not proprietary in nature. The ability to utilize additional corporations for these services allows the Medical Center to request a competitive quote (as required by County Policy 11-05) from each corporation before proceeding with any necessary service on this equipment. The purchase orders provide ARMC the resources needed to ensure timely repairs to equipment and remain in compliance with purchasing policies.

The Medical Center is requesting Board of Supervisors approval for the Purchasing Agent to issue purchase orders to the above corporations to provide service on a time and material basis to ARMC's medical imaging equipment.

REVIEW BY OTHERS: This item has been reviewed by County Counsel (Michelle Blakemore, Deputy County Counsel) on July 10, 2003, County Purchasing (Aurelio De La Torre, Director) on July 11, 2003 and HSS Administration (Carol Hughes, Administrative Analyst) on July 23, 2003.

FINANCIAL IMPACT: The total amount of the purchase orders requested is for an amount not-to-exceed \$650,000. These POs do not present a financial increase over the Board approved POs from last year and imposes no local county cost. Funds are available in the Medical Center's FY 03/04 budget.

COST REDUCTION REVIEW: The County Administrative Office recommends this action as it imposes no local county costs and these services are necessary to maintain current Medical Center equipment which is essential for the health and welfare of the Medical Center's patients.

SUPERVISORIAL DISTRICT(S): All

PRESENTER: Mark H. Uffer, Director, Arrowhead Regional Medical Center, 580-6150

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